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IN THE

Supreme Court of the United States

OCTOBER TERM, 1950

JAMES A. MOFFETT,

Petitioner,

v.

ARABIAN AMERICAN OIL COMPANY, INC., formerly known as CALIFORNIA ARABIAN STANDARD OIL COMPANY, INC.,

Respondent.

PETITIONER'S REPLY BRIEF

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The District Court and the Court of Appeals labored under a misapprehension as to the nature of the petitioner's claim.

The respondent's statement of the case and Point I of its brief stress the erroneous conclusion of both the District Court and the Court of Appeals that petitioner's claim depended upon his proving the existence of a condition in the British loan that the British were to take care of the financial requirements of King Ibn Saud out of the proceeds of the loan.

In reaching such a conclusion both the District Court and the Court of Appeals were laboring under a misapprehension as to the nature of petitioner's claim.

Paragraph Eighth of the complaint states:

> "On or about the 1st day of April, 1941 the defendant herein retained the services of the plaintiff to protect

its oil concessions in the Kingdom of Saudi Arabia and obtain relief for the defendant from the financial demands of the said King of Saudi Arabia, and promised to pay plaintiff the fair and reasonable value of his services" (Record, p. 13, fol. 15).

Petitioner never claimed, either in his pleadings or at the trial, that he was employed to obtain a condition in the British loan that the British must meet King Ibn Saud's financial requirements out of the loan. In fact, at the time that petitioner was employed by respondent, neither petitioner nor respondent knew anything about the impending British loan. Petitioner was employed to obtain relief for respondent in any way possible and the British loan was merely the vehicle selected by the United States Government to accomplish the purpose for which petitioner was employed.

Whether helping the Arabs financially was or was not a condition of the British loan is immaterial if, in fact, the British did what they did as a result of petitioner's efforts in Washington. Petitioner claimed and proved at the trial that as a result of his efforts in Washington the respondent obtained the relief for which it employed him. This was a question of fact for the jury and the jury's finding on it should not have been disturbed.

Notwithstanding the complaint and the proof, the District Court said, in its opinion, page 1083:

> "It is clear from the complaint, that plaintiff claims that as a result of his services, the government of the United States required the government of the United Kingdom of Great Britain, *as a condition of this loan* to assume the budget requirement of the Kingdom of Saudi Arabia for the duration of the war." (Italics ours.)

The Court of Appeals not only adopted the erroneous conclusion of the District Court on this point, but went further and said at pages 1107-1108:

> "Plaintiff *admits* that, in order to recover he had to prove that, as a result of his efforts, the United States, *as a condition of the loan* it made to the British government, required that government to assume the budget requirements of the King of Saudi Arabia." (Italics ours.)

Petitioner nowhere, at any time, either in his complaint or at the trial, claimed the existence of such a condition in the loan agreement, or admitted he must prove it in order to prevail.

Counsel for petitioner did say in the course of his summation:

> "So there may be no question about this, our claim is that as a result of Mr. Moffett's services in Washington the British were required to take out of that $450,000,000 loan whatever Ibn Saud needed and pay it over. That is our claim, and that is what we maintain was done; no two ways about it; (Folio 2565)."

This is a far cry indeed from an *admission* that in order to prevail petitioner must prove the existence of a condition such as is referred to by the District Court or the Court of Appeals in the loan agreement itself or a claim that the granting of the loan was conditioned upon a British agreement to take care of the financial requirements of King Ibn Saud.

Certainly, in view of all of the circumstances under which the British loan was negotiated, the jury was amply warranted in agreeing with counsel's argument in summation that the British were "required" to take care of the King's

financial requirements, not as a condition of the loan but because of the indisputable fact that the United States was the one source to which the British could look for additional aid in the future, and that a mere suggestion from the United States to the British at that time was more than sufficient to bring about the required result. The portion of counsel's summation quoted at page 4 of respondent's brief, means just that, and no more than that.

Nowhere in the entire record, does it appear that petitioner or his counsel, ever made the admission upon which the Court of Appeals predicated its decision. The only conceivable basis for Judge Frank's remark appears to be the statement of the District Court quoted above which is equally erroneous and without basis in fact.

The record is clear that petitioner was employed to obtain relief for respondent from the demands of King Ibn Saud; that petitioner rendered services in Washington in furtherance of his employment; that respondent did obtain the relief for which it employed petitioner and that petitioner is entitled to the verdict for the fair and reasonable value of his services as found by the jury.

Respectfully submitted,

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